

BOSTON REDEVELOPMENT AUTHORITY

REPORT AND DECISION OF THE APPLICATION OF WELD PARK ASSOCIATES FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER. ED) CHAPTER 121A, AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED PARTNERSHIP FORMED UNDER MASSACHUSETTS GENERAL LAWS, CHAPTER 109, AND APPROVAL TO ACT AS AN URBAN REDEVELOPMENT LIMITED PARTNERSHIP UNDER SAID CHAPTER 121A.

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A. The Hearing. A public hearing was held at 2:00 P.M. on May 11, 1978, in the offices of the Boston Redevelopment Authority (hereinafter called the "Authority"), at the New City Hall, Room 921, Boston, Massachusetts 02201, by the Authority on an Application (hereinafter called the "Application"), filed by E. Denis Walsh and Irwin Nebelkoff for Weld Park Associates, for authorization and approval of a redevelopment project under Chapter 121A of the General Laws of the Commonwealth of Massachusetts and Chapter 652 of the Acts of 1960, as amended, (hereinafter called the "Project"), due notice of said hearing having been given previously by publication on April 25 and May 2, 1978, in the Boston Herald-American, a daily newspaper of general circulation published in Boston, and mailing postage prepaid in accordance with Rule 8 of the Rules and Regulations of the Authority for securing approval of Chapter 121A project,

and in accordance with the provisions of Section 13 of Chapter 652 of the Acts of 1960, as amended.

B. The Project. The Project is located in the Roslindale section of the City at the intersection of Rowe and Seymour Streets, it is the site of the former Stephen Weld School. The Project consists of the acquisition of the building and grounds of this former school by the Applicant and the rehabilitation, operation and maintenance thereon of fourteen (14) units of housing for elderly occupancy. All of the housing units in the Project will receive rental assistance from the United States Department of Housing and Urban Development under the Section 8 program which will enable persons of low and moderate incomes to occupy these units.

C. Authority Action. In passing upon the Application, the Authority has considered the Application itself, all Documents, Plans and Exhibits filed therewith or referred to therein, the oral evidence presented at the hearing, the Exhibits offered in evidence at the hearing, arguments and statement made at the hearing, and additional statements submitted subsequent to the hearing.

The Project, as defined in the Application, constitutes a Project within the meaning of Section 1 of Chapter 121A of the General Laws, providing, as it does, for the construction, operation and maintenance of a decent, sanitary and safe residential building and appurtenant facilities.

D. Project Area is Decadent Area. The Project Area is a Decadent Area as that term is defined in Section 1 of Chapter 121A. The former Weld School building was emptied and ceased to be used for public or private school purposes when it was taken by the Commonwealth of Massachusetts acting by and through the Department of Public Works in 1968 for the since abandoned extension of Interstate Route 95. It has suffered a decade of vandalism and exposure to the elements. Testimony by the Project architect, Mr. Casendino of Childs, Bertman, Tseckares and Casendino, Inc. established that the floors and all of the major mechanical systems must be replaced and that only the structural shell has survived years of abuse and neglect.

Testimony from many neighborhood residents established that the existence of this blemished parcel, which has attracted gangs of destructive teenagers, is a hazard to the general public and renders the area detrimental to the safety, health, morals and sound growth of the surrounding Roslindale community. Because of the magnitude of the cost involved in rehabilitating this property, in relation to its size, this Authority is of the opinion that the conditions herein described will not be eliminated by the ordinary operations of private enterprise without the assistance provided by Chapter 121A.

1. Compliance With Zoning and Similar Laws. The Applicant has received a variance from the Boston Board of Appeal

in Case No. BZC-3996 relating to the proposed use and lot area of the Project. Applicant has also obtained certain permission to deviate from the State Building Code. No further relief from zoning or similar laws is required by the Applicant.

2. Consistency with Master Plan. The Project does not conflict with the Master Plan for the City of Boston.

3. Effect of the Project. The Authority finds that the Project will not be in any way detrimental to the best interests to the public, of the City of Boston, or to the public safety and convenience and that the Project is not inconsistent with the most suitable development of the City of Boston. The Authority finds affirmatively that the Project serves the interest of the City of Boston and will constitute a public use and benefit. The Project restores an obsolete and abandoned structure for residential purposes in a residential neighborhood, thereby establishing use consistent with the neighborhood. The rehabilitation of the Project area will enhance the general appearance of the surrounding neighborhood and provide stimulus to further restoration in the residential neighborhood; the Project adds needed dwellings to Boston's housing stock.

In addition to eliminating conditions which the Authority has found detrimental to the City and adding to the supply of decent housing units to the City, the Project affords an additional benefit by virtue of the availability

of Section 8 housing assistance payments for eligible occupants. This form of subsidy will bring within the economic reach of the majority of citizens of Boston this newly renovated housing which would otherwise potentially be too expensive for the community which it is designed to serve.

The Project does not involve the destruction of any existing structures used for dwelling purposes and no persons will be required to relocate in connection with the carrying out of the Project.

The Authority finds that the Project Area does not include land within any location approved by the Department of Public Works for the extension of the Massachusetts Turnpike, that the Project will not require the grant of a permit for the erection, maintenance and use of any garage within 500 feet of one or more buildings occupied in whole or in part as a public or private school or as a public or private hospital or as a church. Although the Project involves the construction of units constituting a single building under the Boston zoning law and the applicable building code, the Project will not require a declaration by the Authority that such units constitute separate buildings for purposes of Chapter 138 of the General Laws.

E. Review of Finances. The Authority is of the opinion that the cost of the Project has been carefully and realistically estimated and that the Project is practicable. The Project is

to be conventionally financed by a permanent loan from the South Boston Savings Bank in the amount of Three Hundred Ninety-Five Thousand Dollars (\$395,000.00) at an interest rate of nine and one-quarter percent (9¼%) for a thirty (30) year term. Because the Project will receive rental assistance under the Section 8 program during the entire term of the mortgage, this form of mortgage financing is feasible. In addition, only approximately seventy-five percent (75%) of the Project cost is being raised by mortgage financing with the balance of the cost provided as equity. Applicant's proposed method of providing all amounts required for the Project in excess of the mortgage financing herein described, of admitting limited partners in exchange for capital contributions, is approved by the Authority.

In addition to examining the methods of financing the cost of the Project, the Authority has examined Exhibit F to the Application which described amounts to be paid to the City of Boston in excess of the 121A statutory excise and a letter from the Mayor's Committee on the 121A Agreements. The Authority finds that an agreement with the City of the nature described in said Exhibit F and said letter will provide substantial financial return to the City. We do not by this finding bind the City or the Applicant to the specific terms and conditions of said Exhibit F or said letter.

F. Minimum Standards. The minimum standards for financing, construction, maintenance, and improvement of the Project as

set forth in Exhibit E filed with the attached to the Application, are hereby adopted and imposed as Rules and Regulations (in addition to those hereinafter adopted and imposed) applicable to this Project for the same period as the Project is subject to the provisions of Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, as amended.

In addition to the minimum standards set forth in Exhibit E, the Authority hereby requires that the Applicant, prior to obtaining a building permit, (1) enter into a Regulatory Agreement with the Authority pursuant to the requirements of General Laws, Chapter 121A, Section 18C and containing such other terms and conditions as the Authority may in its discretion deem necessary and appropriate; (2) submit to the Authority for its review and approval such Plans and Specifications for the Project as the Authority may require, and accept such changes and modifications thereto as the Authority may deem necessary or appropriate; and (3) adhere to such Design Review Controls and Requirements as the Authority may in its discretion impose.

G. Environmental Considerations. Conformably with the provisions of Sections 62 through 62H of Chapter 30 of the General Laws, and the Regulations thereunder as adopted by the Authority, the Authority has made an environmental examination which contains, among others, the following findings:

1. The Project does not adversely affect any

recreational areas or any aesthetic values in the surrounding area.

2. No natural or man-made places are affected by the Project.

3. The Project does not adversely affect archeological or historical structures or features. It is expected that the Project will enhance the historic structures in the Area.

4. The Project does not affect the potential use, extraction, or conservation of a scarce natural resource.

5. The Project Area is urban, and therefore, does not serve as a habitat for wildlife or fish species.

6. Being urban, the Project has no impact on any wilderness areas.

7. The Project will require deviations from the Zoning Code of the City of Boston as previously detailed herein, but not in such manner as will cause damage to the environment.

8. The Project does not require certification, authorization or issuance of a permit by any local, State or Federal environmental control agency.

9. The Project does not involve the disposal of potentially hazardous materials.

10. The Project does not involve the construction of facilities in a flood plane.

11. The Project, except necessarily during the

construction phase, does not result in the generation of a significant amount of noise or dust.

12. The Project does not result in a deleterious effect on the quality of any portion of the State's air or water resources.

H. Duration of Period of Tax Exemption. The Authority hereby determines that the Project shall be entitled to a period of tax exemption of forty (40) years. This determination is based upon the availability of housing assistance payments pursuant to the Section 8 program which renders the Project one to be subsidized under a federal program adopted to assist the construction of low and moderate income housing.

I. Decision. For all of the reasons set forth in the foregoing report, the Authority hereby approves the undertaking by the Applicant of the Project pursuant to Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960.

MEMORANDUM

MAY 25, 1978

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT F. WALSH, DIRECTOR

SUBJECT: REPORT AND DECISION ON THE CHAPTER 121A  
APPLICATION OF WELD PARK ASSOCIATES

On May 11, 1978, the Authority conducted a public hearing with respect to the above-captioned application. The Applicant made a detailed presentation and there were no opponents to the granting of the application.

The Project consists of the acquisition of the building and grounds of the former Stephen Weld School in the Roslindale Section of Boston by WELD PARK ASSOCIATES and the rehabilitation, operation and maintenance thereon of fourteen (14) units of elderly housing with rental assistance under Section 8 for low and moderate incomes.

The staff has examined the application and found that it contained sufficient evidence in support of the Project to permit the Authority to make those findings and determinations necessary to proceed with the adoption of the attached Report and Decision approving the Project.

An appropriate Vote follows.

VOTED: That the document presented at this meeting entitled: "Report and Decision On the Application of Weld Park Associates For The Authorization and Approval Of A Project Under Massachusetts General Laws (Ter.Ed.) Chapter 121A, As Amended, And Chapter 652 Of The Acts of 1960, To Be Undertaken And Carried Out By A Limited Partnership Formed Under Massachusetts General Laws, Chapter 109, And Approval To Act As An Urban Redevelopment Limited Partnership Under Said Chapter 121A" be and is hereby approved and adopted.

# Boston Redevelopment Authority

May 25, 1978

Mr. Robert Farrell, Chairman  
Boston Redevelopment Authority  
One City Hall Square  
Boston, Massachusetts 02201

Dear Mr. Farrell:

Subject: Weld Park Assocites - 121A Application  
Section 8 - Elderly Housing

This letter is to confirm to the Authority that the Applicants for the captioned project have reached an agreement with the City of Boston as to the amounts which would be payable to the City by the said 121A Corporation for a period that would be Coterminous with the U.S. Department of Housing and Urban Development's Subsidy Program, with a minimum term of 20 years.

The sum of the excise payable under Section 10 of Chapter 121A and the additional amounts so payable will be computed on the following basis:

1. In the first two calendar years following the completion of the project, ten (10%) percent of the gross residential income from the project, from whatever source derived, including any subsidy income received pursuant to a Housing Assistance Payments Contract with the U.S. Department of Housing and Urban Development pursuant to Section 8 of the Housing Act of 1937, and payments made under any similar or successor subsidy programs.
2. Commencing in the third calendar year after completion of the Project, and every third year thereafter, the percentage (%) of gross residential income payable by the Owner shall be increased, based on a substantial general increase in real estate taxes in the City of Boston as determined by the Commissioner of Assessing, according to the following schedule:
  - .Years 3-5: 12% of gross residential income (including Subsidy Income)
  - .Years 6-8: 13% of gross residential income (including Subsidy Income)

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Boston, Massachusetts 02201  
(617) 722-4300

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.Years 9-11: 14% of gross residential income (including Subsidy Income)

.Years 12  
through  
expiration  
of this

Agreement: 15% of gross residential income (including Subsidy Income)

3. The owner is obligated to make payment of the increased percentage from 10% to 12%, irregardless of approval or funding of a special rent adjustment by the U.S. Department of Housing and Urban Development.

Notwithstanding the foregoing, for the period: Years 4 through 9, the Owner's obligation to pay the increased percentage from 10% to 12% shall be reduced to the extent that the Project would suffer an operating loss by virtue of the obligation to make payment of such increased percentage.

4. Owner's obligation to make payment of any increased percentage above twelve (12%) percent shall be conditional upon approval and funding of a special rent adjustment by the U.S. Department of Housing and Urban Development.

If at any time during this Agreement, the project ceases to be a totally subsidized, low/moderate income residential development, the terms of this Agreement, as outlined above, will be null and void. If the project should continue to maintain its 121A status, however, a new 6A Agreement will be required to reflect the change in status of the project.

Under this Agreement, the owners will be required to file each year with the Authority and the Collector Treasurer's Office or the City Assessor financial statements on the operation of the project which shall include audited reports by a Certified Public Accountant detailing all rental and other income, operating cost, construction and replacement cost, a statement of profit and loss for the 121A Corporation, a balance sheet, a statement of disposition of funds for the preceding year, and a certified copy of the urban redevelopment excise return as submitted to the State Department of Corporations and Taxation.

Furthermore, the City and/or the Authority can make an annual audit of all financial records pertaining to the operations of the project, under its 121A status, and can engage the services of a private accounting firm, subject to the approval of the owners, to undertake such an audit at the expense of the owner.

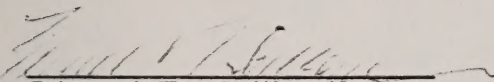
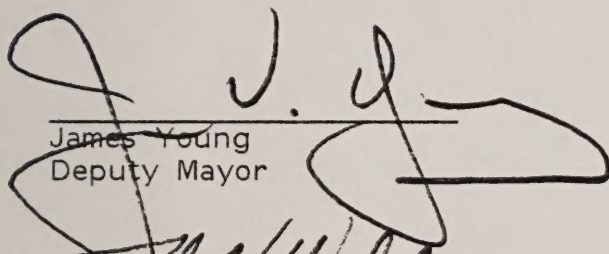
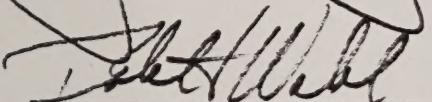
If the 121A Corporation is found to have deliberately withheld information on or misrepresented income collection; from the project, relative to its payments in lieu of taxes, the owner will be required to pay all

arrearages plus interest on that amount owed the City (with interest rate equal to the rate charged in delinquent property tax accounts by the City's Assessing Department), and in addition will be required to pay and/or reimburse the City for all expenses incurred as a result of the situation.

The above Agreement may be subject to modifications depending on the outcome of the U.S. Department of Housing and Urban Development's considerations with respect to 121A tax payments regarding Section 8 developments in the City of Boston.

The Applicant has agreed to make whatever modification would be required by the City as a result of HUD's final recommendation on Section 8 projects.

Very truly yours,

  
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Edward T. Sullivan  
Vice Mayor  
\_\_\_\_\_  
James Young  
Deputy Mayor  
\_\_\_\_\_  
Robert F. Walsh  
Director - BRA